

Subchapter A. Permanent Fund for Children and Public Health

§83.1. Purpose.

(a) As authorized by the Government Code, §403.1055, relating to the Permanent Fund for Children and Public Health, and the Health and Safety Code, §121.0065, relating to Grants for essential Public Health Services, the department shall institute and administer grants under this subchapter.

(b) The grants shall be known as a part of the "Texas Department of Health Innovation Grants."

(c) This subchapter governs the administration of the grants, the submission and review of grant applications, and the award of the grants.

§83.2. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

(1) Closing date - Date specified in the request for proposals as the date on which applications must be received or postmarked.

(2) Commissioner - Commissioner of Health or his or her designee.

(3) Department - Texas Department of Health.

(4) Essential public health services - As defined in the Health and Safety Code, §121.002, services to:

(A) monitor the health status of individuals in the community to identify community health problems;

(B) diagnose and investigate community health problems and community health hazards;

(C) inform, educate, and empower the community with respect to health issues;

(D) mobilize community partnerships in identifying and solving community health problems;

(E) develop policies and plans that support individual and community efforts to improve health;

(F) enforce laws and rules that protect the public health and ensure safety in accordance with those laws and rules;

(G) link individuals who have a need for community and personal health services to appropriate community and private providers;

(H) ensure a competent workforce for the provision of essential public health services;

(I) research new insights and innovative solutions to community health problems; and

(J) evaluate the effectiveness, accessibility, and quality of personal and population-based health services in a community.

(5) Innovation - A solution, analysis, intervention, program design, evaluation method, or administrative method that is substantially new to the area where the innovation is being introduced.

(6) Minority populations - African-Americans, American Indians, Asians and Hispanics in Texas.

(7) Nonprofit organization - A private, nonprofit, tax-exempt corporation, association or organization under Internal Revenue Code of 1986, §501(c)(3) (26 United States Code §501(c)(3)).

(8) Rural area - A county that had a population in the most recent decennial United States census of 150,000 or less, or that part of a county with a population of greater than 150,000 that is not delineated as urbanized by the United States Census Bureau.

(9) Urban area - A county or part of a county that is not a rural area.

§83.3. Philosophy.

(a) The intent of the grants is to stimulate innovation in the delivery of essential public health services.

(b) In making these grants, the goal of the department is to improve public health outcomes at the community level, using innovations that are replicable in other parts of Texas.

(c) To the maximum extent possible, the grants are intended to bring about improvements in health status that are demonstrable or measurable.

(d) Grant funds will not be used to fund direct health care services except when those services are incidental to an essential public health service being addressed.

§83.4. The Grants.

The grants shall consist of three parts:

(1) Part I. Grants for developing and demonstrating cost-effective prevention and intervention strategies for improving health outcomes for children and the public (Part I grants);

(2) Part II. Grants to local communities to address specific public health priorities, including sickle cell anemia, diabetes, high blood pressure, cancer, heart attack, stroke, keloid tissue and scarring, and respiratory disease (Part II grants); and

(3) Part III. Grants to local communities for essential public health services (Part III grants).

§83.5. Sources and Allocation of Funds.

(a) Funds for the grants shall be provided in accordance with the Government Code, §403.1055, relating to the Permanent Fund for Children and Public Health. Funds for Part III grants are also governed by the Health and Safety Code, §121.0065, relating to Grants for Essential Public Health Services.

(b) All grants shall be awarded competitively according to the provisions of this subchapter.

(c) Grants shall be made only to the extent that funds are appropriated and available.

(d) The department shall have the authority and discretion to:

(1) determine the purpose(s) of the grants pursuant to law and this subchapter;

(2) approve or deny grant applications;

(3) determine the number, size and duration of grants; and

(4) modify or terminate grants.

(e) The department shall determine the proportion of available funds to be granted under each part, provided that the funds available for each part shall be not less than 25% of the total amount of funds available. Such proportion shall be published in the request(s) for proposals.

(f) Grants made under Part III shall be allocated in such a way so that the total amount of funds available is equally divided between services for rural and urban areas of the state.

(g) If the funds for a part are not completely expended or allocated, the department shall have the authority to redistribute funds among the other two parts based on unfunded responses to a previous or subsequent request for proposals. The percentage in subsection (e) of this section shall not apply to the redistribution of funds.

(h) The department shall not be liable, nor shall grant funds be used, for any costs incurred by applicants in the development, preparation, submission, or review of applications.

§83.6. Eligibility for Grants.

(a) The following persons shall be eligible for the grants:

(1) Part I grants. Any person or other entity, public or private, except the department;

(2) Part II grants. Any county, municipality, public health district, other political subdivision or nonprofit organization in Texas; and

(3) Part III grants. Any county, municipality, public health district, or other political subdivision in Texas.

(b) An applicant may apply for grants under more than one part.

§83.7. Requirements for Grants.

(a) The department shall specify reasonable requirements for grant applications.

(b) Applicants for grants shall submit, as a part of their application, a preliminary plan to evaluate the effectiveness, accessibility, and quality of the essential public health services that are provided under the grant. If the applicant is awarded a grant, the grant recipient will work with the department to finalize the preliminary plan required in this section. The plan must, at a minimum:

(1) identify the outcomes that are intended to result from the use of the grant money and establish a mechanism to measure those outcomes; and

(2) establish performance standards for the delivery of essential public health services and a mechanism to measure compliance with those standards.

(c) Grant recipients shall make quarterly reports to the department, in a form and at a time determined by the department.

(d) Grant recipients under Part III must assure that they have a local health authority, as defined under the Local Public Health Reorganization Act, Health and Safety Code, Chapter 121, prior to the grant funds being awarded. A department regional director cannot serve as the local health authority for Part III grant recipients.

§83.8. Procedures for Grant Announcements.

(a) Before applications are requested, the department shall publish one or more notices of grant availability in the Texas Register. These notices shall also be distributed throughout the state through mail and electronic means. The notices will include details about the grants, instructions for obtaining a request for proposals, and the names of persons to contact in the department for further information.

(b) The department shall maintain a list of persons to be notified of requests for proposals. Any person wanting to be placed on the list should contact: Commissioner of Health, Attention: TDH Innovation Grants, 1100 West 49th Street, Austin, Texas 78756.

(c) The department shall develop and publish one or more requests for proposals, which shall contain details concerning, but not limited to, the following:

- (1) the nature and purpose(s) of the grants;
- (2) the total amount of funds available for the grants under each part;
- (3) the maximum and minimum dollar amounts that will be awarded for individual grants and for individual grantees;
- (4) the information and format required for grant applications;
- (5) information about the criteria used to judge grant applications; and
- (6) the closing date.

(d) The department shall hold one or more optional training sessions at appropriate times, in a location(s) selected by the department, for the purpose of providing technical assistance to potential grant applicants. Travel and other expenses related to attendance at such sessions will not be paid by the department.

§83.9. Procedures for Grant Applications.

(a) The department may specify any reasonable requirements for grant applications, including, but not limited to, length, format, authentication, and supporting documentation.

(b) Applications that are incomplete or substantially inconsistent with the requirements of this subchapter may be rejected without further consideration at the discretion of the department.

(c) Applications received after the closing date will not be considered, unless the closing date is extended by the department.

(d) Applicants will be given a minimum of 60 calendar days to file applications after a request for proposals is published. Applications must be received by the department on or before the closing date specified in the request for proposal.

§83.10. Competitive Review Process.

(a) Each application shall be reviewed by the department for completeness, relevance to the published request for proposals, adherence to department policies, general quality, technical merit, and budget appropriateness.

(b) The department may invite an advisor or advisors to provide review and make recommendations concerning the grant process. Such advisor(s) may include any number of members from inside or outside the department, at the discretion of the commissioner. Advisor(s) from outside the department shall receive no compensation or reimbursement for expenses. No such advisor(s) shall be a current applicant for a grant under any part on which the advisor(s) would be making recommendations.

(c) The department's review process shall be completed within 45 days after the closing date.

§83.11. Selection Criteria.

(a) No grant shall be approved unless, in the opinion of the department:

(1) the application addresses one or more essential public health services;

(2) the application includes a workable plan to bring about improvements in health status that are demonstrable or measurable, or the application identifies specific positive outcomes;

(3) the applicant provides a plan and method for evaluating the effectiveness of the activities carried out under the grant; and

(4) with regard to Part II grants, the application addresses disparities in morbidity, mortality, or health status in minority populations.

(b) A grant application will be given funding preference, in a manner determined by the department and announced in the request for proposal, to the extent that it:

- (1) demonstrates innovation(s) that are replicable in other parts of Texas;
- (2) documents the intent and ability of the applicant to communicate and collaborate with elements of the community that deliver essential public health services, health care providers, consumers, businesses, educational institutions, governmental agencies, law enforcement agencies, or religious institutions and how community needs have been or will be determined and addressed;
- (3) demonstrates a strong financial commitment on the part of the applicant toward the activities proposed including direct funding or significant in-kind contributions from the applicant, local entities, private donors, state agencies, federal grantors, or private foundations;
- (4) with respect to Part I and II grants, considers or inquires into one or more of the underlying causes of public health problems;
- (5) addresses or demonstrates cost-effectiveness or cost benefit;
- (6) includes a plan for the dissemination of methods, findings or conclusions;
- (7) with respect to Part III grants, demonstrates a contribution to strengthening of the essential public health services infrastructure
- (8) with respect to Part III grants, demonstrates that the applicant has or will develop a local health board or other appropriate advisory group during the grant period; or
- (9) contains such other information or criteria that the commissioner may specify and include in the request for proposals.

§83.12. Project Approval.

(a) Grant recipients shall execute a contract with the department. The contract shall detail items such as budget, reporting requirements, general provisions for department grant contracts and any other specifics that might apply to the award.

(b) Grant recipients shall cooperate with the department in preparing reports to the Legislature as required by the Government Code, §403.1069.

(c) Grant recipients under Part III shall cooperate with the department in preparing reports to the Legislature as required by the Health and Safety Code, §121.0067.

§83.13. Continuation Funding.

(a) Grant recipients may be eligible for continuation funding. The department will consider the grant recipient's accomplishments, progress toward stated goals and objectives, award of past grants, and development of alternative funding. Applications shall be submitted in accordance with this subchapter.

(b) The department will award continuation grants after a review of applications in accordance with the provisions of this subchapter.

Subchapter B. Community Hospital Capital Improvement Fund.

§83.20. Purpose.

(a) As authorized by the Government Code, §403.1066, relating to the Community Hospital Capital Improvement Fund, the department shall institute and administer grants under this subchapter.

(b) This subchapter governs the administration of the grants, the submission and review of grant applications, and the award of the grants.

§83.21. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

(1) Closing date - Date specified in the request for proposals as the date on which applications must be received or postmarked.

(2) Commissioner - Commissioner of Health or his or her designee.

(3) Capital improvement - The acquisition, construction, or improvement of a facility, equipment (including information system hardware and software), or real property for use in providing hospital services. The term includes designing, engineering, supervising, inspecting, surveying, and other expenses incidental to the acquisition, construction, or improvement.

(4) Debt retirement - The reduction of interest and principal owed to another party. The retirement is typically by payment of cash or in exchange for assets, equity, or other consideration.

(5) Department - Texas Department of Health.

(6) Essential public health services - As defined in the Health and Safety Code, §121.002, services to:

- health problems;
- (A) monitor the health status of individuals in the community to identify community health problems;
- hazards;
- (B) diagnose and investigate community health problems and community health hazards;
- (C) inform, educate, and empower the community with respect to health issues;
- problems;
- (D) mobilize community partnerships in identifying and solving community health problems;
- improve health;
- (E) develop policies and plans that support individual and community efforts to improve health;
- (F) enforce laws and rules that protect the public health and ensure safety in accordance with those laws and rules;
- (G) link individuals who have a need for community and personal health services to appropriate community and private providers;
- services;
- (H) ensure a competent workforce for the provision of essential public health services;
- and
- (I) research new insights and innovative solutions to community health problems;
- (J) evaluate the effectiveness, accessibility, and quality of personal and population-based health services in a community.

(7) Operating expense - An expense, including an administrative expense, incurred in the daily operation of the grantee hospital.

(8) Rural area - A county that had a population in the most recent decennial United States census of 150,000 or less, or that part of a county with a population of greater than 150,000 that is not delineated as urbanized by the United States Census Bureau.

(9) Urban area - A county or part of a county that is not a rural area.

§83.22. Sources and Allocation of Funds.

- (a) Funds for the grants shall be provided in accordance with the Government Code,

§403.1066, relating to the Community Hospital Capital Improvement Fund.

(b) All grants shall be awarded competitively according to the provisions of this subchapter.

(c) Grants shall be made only to the extent that funds are appropriated and available.

(d) The department shall have the authority and discretion to:

(1) determine the purpose(s) of the grants pursuant to law and this subchapter;

(2) approve or deny grant applications;

(3) determine the number, size, and duration of grants; and

(4) modify or terminate grants.

(e) The department shall not be liable, nor shall grant funds be used, for any costs incurred by applicants in the development, preparation, submission, or review of applications.

§83.23. Eligibility for Grants.

(a) A public or private nonprofit community hospital licensed for 125 beds or fewer located in an urban area is eligible to apply for a grant. A hospital applying for a grant must be licensed as a general hospital under the Texas Hospital Licensing Law, Health and Safety Code, Chapter 241.

(b) A hospital eligible to receive a rural health facility capital improvement grant, loan, or loan guarantee from the Center for Rural Health Initiatives under Health and Safety Code, Chapter 106, Subchapter G, is not eligible to receive a grant under this subchapter.

§83.24. Requirements for Grants.

(a) The department shall specify reasonable requirements for grant applications.

(b) Use of grant funds shall be restricted to capital improvements and shall not be used for operating expenses or debt retirement of the hospital or the owner of the hospital.

(c) Grant recipients shall submit an annual report to the department, in a form and at a time determined by the department.

§83.25. Procedures for Grant Announcements.

(a) Before applications are requested, the department shall publish one or more notices of grant availability in the Texas Register. These notices shall also be distributed throughout the state through mail and electronic means. The notices will include details about the grants, instructions for obtaining a request for proposals, and the names of persons to contact in the department for further information.

(b) The department shall maintain a list of persons to be notified of requests for proposals. Any person wanting to be placed on the list should contact: Commissioner of Health, Attention: TDH Innovation Grants, 1100 West 49th Street, Austin, TX 78756.

(c) The department shall develop and publish a request for proposals, which shall contain details concerning, but not limited to, the following:

- (1) the nature and purpose(s) of the grant;
- (2) the total amount of funds available for the grants;
- (3) the maximum and minimum dollar amounts that will be awarded for individual grantees;
- (4) the information and format required for grant applications;
- (5) information about the criteria used to judge grant applications; and
- (6) the closing date.

§83.26. Procedures for Grant Applications.

(a) The department may specify any reasonable requirements for grant applications, including, but not limited to, length, format, authentication, and supporting documentation.

(b) Applications that are substantially incomplete according to the requirements of this subchapter may be rejected without further consideration at the discretion of the department.

(c) Applications received after the closing date will not be considered, unless the closing date is extended by the department.

(d) Applicants will be given a minimum of 60 calendar days to file applications after a request for proposals is published. Applications must be received by the department on or before the closing date specified in the request for proposals.

§83.27. Competitive Review Process.

(a) Each application shall be reviewed by the department for completeness, relevance to the published request for proposals, adherence to department policies, general quality, technical merit, and budget appropriateness.

(b) The department may invite an advisor or advisors to provide review and make recommendations concerning the grant process. Such advisor(s) may include any number of members from inside or outside the department, at the discretion of the commissioner. Advisor(s) from outside the department shall receive no compensation or reimbursement for expenses. No advisor(s) shall be a current or potential applicant for a grant on which the advisor(s) would be making recommendations.

(c) The department's review process shall be completed within 45 days after the closing date.

§83.28. Selection Criteria.

(a) No grant shall be approved unless, in the opinion of the department, it addresses only capital improvements and does not propose to expend funds for operating expenses or debt retirement.

(b) A grant application will be given preference if the capital improvement(s) funded by the proposal are related to an essential public health service.

§83.29. Project Approval.

(a) Grant recipients shall execute a contract with the department. The contract shall detail items such as budget, reporting requirements, general provisions for department grant contracts, and any other specifics that might apply to the award.

(b) Grant recipients shall cooperate with the department in preparing reports to the Legislature as required by Government Code, §403.1069.

§83.30. Continuation Funding.

(a) Grant recipients may be eligible for continuation funding. The department will consider the grant recipient's accomplishments, progress toward stated goals and objectives, award of past grants, and development of alternative funding. Applications shall be submitted in accordance with this subchapter.

(b) The department will award continuation grants after a review of applications in accordance with the provisions of this subchapter.